# A BILL FOR AN ACT

RELATING TO ENERGY.

## BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:

1	SECTION 1. Section 226-2, Hawaii Revised Statutes, is
2	amended by adding a new definition to be appropriately inserted
3	and to read as follows:
4	"Petroleum" includes crude oil or any fraction thereof
5	which is liquid at standard conditions of temperature and
6	pressure (60 degrees Fahrenheit and 14.7 pounds per square inch
7	absolute)."
8	SECTION 2. Section 226-18, Hawaii Revised Statutes, is
9	amended as follows:
10	1. By amending subsection (a) to read:
11	"(a) Planning for the State's facility systems with regard
12	to energy shall be directed toward the achievement of the
13	following objectives, giving due consideration to all:
14	(1) Dependable, efficient, and economical statewide energy
15	systems capable of supporting the needs of the people;
16	(2) Increased energy security and self-sufficiency [where
17	the ratio of indigenous to imported energy use is
18	increased; through the reduction and ultimate

1		elimination of Hawaii's dependence on imported fuels
2		for electrical generation and ground transportation;
3	(3)	Greater [energy security and] diversification of
4		energy generation in the face of threats to Hawaii's
5		energy supplies and systems; [and]
6	(4)	Reduction, avoidance, or sequestration of greenhouse
7		gas emissions from energy supply and use $[-]$ ; and
8	(5)	Utility models that make the social and financial
9		interests of Hawaii's utility customers a priority."
10	2. I	By amending subsection (c) to read:
11	"(C)	To further achieve the energy objectives, it shall be
12	the policy	y of this State to:
13	(1)	Support research and development as well as promote
14		the use of renewable energy sources;
15	(2)	Ensure that the combination of energy supplies and
16		energy-saving systems is sufficient to support the
17		demands of growth;
18	(3)	Base decisions of least-cost supply-side and demand-
19		side energy resource options on a comparison of their
20		total costs and benefits when a least-cost is
21		determined by a reasonably comprehensive,

1	<u> </u>	quantitative, and qualitative accounting of their
2		long-term, direct and indirect economic,
3		environmental, social, cultural, and public health
4		costs and benefits;
5	(4)	Promote all cost-effective conservation of power and
6		fuel supplies through measures, including:
7		(A) Development of cost-effective demand-side
8		management programs;
9		(B) Education; [and]
10		(C) Adoption of energy-efficient practices and
11		technologies; and
12		(D) Increasing energy efficiency and decreasing
13		energy use in public infrastructure;
14	(5)	Ensure, to the extent that new supply-side resources
15		are needed, that the development or expansion of
16		energy systems uses the least-cost energy supply
17		option and maximizes efficient technologies;
18	(6)	Support research, development, demonstration, and use
19		of energy efficiency, load management, and other
20		demand-side management programs, practices, and
21		technologies;

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1	(7)	Promote alternate fuels and transportation energy
2		efficiency;
3	(8)	Support actions that reduce, avoid, or sequester
4		greenhouse gases in utility, transportation, and
5		industrial sector applications;
6	(9)	Support actions that reduce, avoid, or sequester
7		Hawaii's greenhouse gas emissions through agriculture
8		and forestry initiatives;
9	(10)	Provide priority handling and processing for all state
10		and county permits required for renewable energy
11		projects; [and]
12	(11)	Ensure that liquefied natural gas is used only as a
13		cost-effective transitional, limited-term replacement
14		of petroleum for electricity generation and does not
15		impede the development and use of other cost-effective
16		renewable energy sources; and
17	[ <del>(11)</del> ]	(12) Promote the development of indigenous geothermal
18		energy resources that are located on public trust land
19		as an affordable and reliable source of firm power for
20		Hawaii."

- 1 SECTION 3. Statutory material to be repealed is bracketed
- 2 and stricken. New statutory material is underscored.
- 3 SECTION 4. This Act shall take effect on July 1, 2015.

#### Report Title:

Hawaii State Planning Act; Energy Facility Systems; Natural Gas

### Description:

Amends the State's objectives and policies relating to energy facility systems, including a policy of ensuring that liquefied natural gas be used only as a cost-effective transitional, limited-term replacement of petroleum for electricity generation and not impede the development and use of other cost-effective renewable energy sources. (SD2)

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